

Hanwha TotalEnergies Petrochemical Co., Ltd. and its subsidiaries

Consolidated financial statements
for the period ended March 31, 2024
(Unaudited)



Hanwha TotalEnergies Petrochemical Co., Ltd. and its subsidiaries
Consolidated statements of financial position
as of March 31, 2024 and December 31, 2023
(Korean won in units)

	2024-03-31	2023-12-31
Assets		
Current assets:		
Cash and cash equivalents	₩ 218,235,362,523	₩ 144,980,560,156
Trade and other accounts receivables, net	1,031,715,252,815	1,114,295,507,964
Prepaid expenses	20,882,371,744	24,100,043,640
Current tax assets	1,462,953,280	1,203,103,480
Other current assets	1,755,828,745	2,710,529,661
Inventories, net	1,759,650,160,746	1,702,147,750,154
Total current assets	<u>3,033,701,929,853</u>	<u>2,989,437,495,055</u>
Non-current assets:		
Long-term investment securities	11,075,275,607	11,075,262,606
Long-term loans	768,116,246	711,739,392
Long-term accounts receivables, net	6,554,066,758	5,739,170,860
Long-term prepaid expenses	254,182,550	318,420,814
Property, plant and equipment, net	4,653,470,145,469	4,735,440,326,346
Intangible assets, net	27,077,252,118	26,746,814,653
Defined benefit assets, net	34,911,691,450	37,880,816,019
Other non-current assets	14,500,000	14,500,000
Deferred tax assets	7,364,284	7,169,621
Total non-current assets	<u>4,734,132,594,482</u>	<u>4,817,934,220,311</u>
Total assets	<u>₩ 7,767,834,524,335</u>	<u>₩ 7,807,371,715,366</u>

(Continued)

Hanwha TotalEnergies Petrochemical Co., Ltd. and its subsidiaries
Consolidated statements of financial position
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(Korean won in units)

	<u>2024-03-31</u>	<u>2023-12-31</u>
Liabilities and equity		
Liabilities		
Current liabilities:		
Trade and other		
accounts payable	₩ 1,386,823,022,007	₩ 1,487,608,814,484
Short-term borrowings	450,344,341,294	422,823,710,906
Current portion of bonds payable		
and long-term borrowings	658,829,489,498	905,720,694,628
Income tax payable	443,810,692	411,970,315
Other current liabilities	33,452,886,086	25,525,724,828
Total current liabilities	<u>2,529,893,549,577</u>	<u>2,842,090,915,161</u>
Non-current liabilities:		
Bonds payable, net	1,043,301,505,473	778,373,715,070
Long-term borrowings	338,595,051,941	336,133,013,846
Long-term other accounts payable	16,804,699,246	8,525,211,837
Deferred tax liabilities	106,638,060,904	107,958,088,485
Other non-current liabilities	9,550,469,968	9,248,815,439
Total non-current liabilities	<u>1,514,889,787,532</u>	<u>1,240,238,844,677</u>
Total liabilities	4,044,783,337,109	4,082,329,759,838
Equity		
Equity attributable to		
equity holders of the Company:		
Issued capital	95,826,580,000	95,826,580,000
Share premium	864,898,306,667	864,898,306,667
Accumulated other comprehensive income	406,296,628,957	404,703,113,359
Retained earnings	2,356,029,671,602	2,359,613,955,502
	<u>3,723,051,187,226</u>	<u>3,725,041,955,528</u>
Non-controlling interests	-	-
Total equity	3,723,051,187,226	3,725,041,955,528
Total liabilities and equity	₩ 7,767,834,524,335	₩ 7,807,371,715,366

Hanwha TotalEnergies Petrochemical Co., Ltd. and its subsidiaries
Consolidated statements of comprehensive income
for the period ended March 31, 2024 and 2023

(Korean won in units)

	2024 Q1 YTD	2023 Q1 YTD
Sales	₩ 2,995,118,329,924	₩ 2,774,257,019,783
Cost of goods sold	2,862,002,791,436	2,672,627,303,097
Gross profit	133,115,538,488	101,629,716,686
Selling and administrative expenses	80,734,518,157	80,090,282,338
Operating profit	52,381,020,331	21,539,434,348
Finance income	75,136,240,968	109,840,071,234
Finance costs	128,016,199,126	124,008,907,232
Other non-operating income	6,468,856,634	5,124,032,702
Other non-operating expenses	10,604,199,073	7,260,727,012
Profit (loss) before income tax	(4,634,280,266)	5,233,904,040
Income tax expense (gain)	(1,049,996,366)	930,895,754
Profit (loss) for the period	₩ (3,584,283,900)	₩ 4,303,008,286
Other comprehensive income (loss)		
<i>Other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods:</i>		
Net gain (loss) on valuation of interest rate swaps	805,829,908	(3,364,712,190)
Exchange differences on translation of foreign operations	787,685,690	1,126,393,929
Net other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods	₩ 1,593,515,598	₩ (2,238,318,261)
<i>Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods:</i>		
Gain on revaluation of assets	-	-
OCI-net gain (loss) on valuation of financial instruments measured at FVOCI	-	-
Net other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods	₩ -	₩ -
Other comprehensive income (loss) for the period, net of tax	1,593,515,598	(2,238,318,261)
Total comprehensive income (loss) for the period, net of tax	₩ (1,990,768,302)	₩ 2,064,690,025
Profit (loss) attributable to:		
Equity holders of the Company	(3,584,283,900)	4,303,008,286
Non-controlling interests	-	-
	₩ (3,584,283,900)	₩ 4,303,008,286
Total comprehensive income (loss) attributable to:		
Owners of the parent	(1,990,768,302)	2,064,690,025
Non-controlling interests	-	-
	₩ (1,990,768,302)	₩ 2,064,690,025
Earnings (loss) per share:		
Basic and diluted, profit for the period	₩ (187)	₩ 225

Hanwha TotalEnergies Petrochemical Co., Ltd. and its subsidiaries
Consolidated statements of changes in equity
for the period ended March 31, 2024 and 2023

(Korean won in units)

	Issued capital	Share premium	Accumulated other comprehensive income	Retained earnings	Equity attributable to equity holders of the Company	Non-controlling interests	Total equity
As of January 1, 2023	₩ 95,826,580,000	₩ 864,898,306,667	₩ 7,961,424,917	₩ 2,521,041,919,315	₩ 3,489,728,230,899	₩ -	₩ 3,489,728,230,899
Profit for the period	-	-	-	4,303,008,286	4,303,008,286	-	4,303,008,286
Net gain (loss) on valuation of interest rate swaps	-	-	(3,364,712,190)	-	(3,364,712,190)	-	(3,364,712,190)
Exchange differences on translation of foreign operations	-	-	1,126,393,929	-	1,126,393,929	-	1,126,393,929
Total comprehensive income (loss) for the period	-	-	(2,238,318,261)	4,303,008,286	2,064,690,025	-	2,064,690,025
Dividend	-	-	-	(68,548,000,000)	(68,548,000,000)	-	(68,548,000,000)
As of March 31, 2023	₩ 95,826,580,000	₩ 864,898,306,667	₩ 5,723,106,656	₩ 2,456,796,927,601	₩ 3,423,244,920,924	₩ -	₩ 3,423,244,920,924
As of January 1, 2024	₩ 95,826,580,000	₩ 864,898,306,667	₩ 404,703,113,359	₩ 2,359,613,955,502	₩ 3,725,041,955,528	₩ -	₩ 3,725,041,955,528
Loss for the period	-	-	-	(3,584,283,900)	(3,584,283,900)	-	(3,584,283,900)
Net gain (loss) on valuation of interest rate swaps	-	-	805,829,908	-	805,829,908	-	805,829,908
Exchange differences on translation of foreign operations	-	-	787,685,690	-	787,685,690	-	787,685,690
Gain on revaluation of assets	-	-	-	-	-	-	-
Total comprehensive income (loss) for the period	-	-	1,593,515,598	(3,584,283,900)	(1,990,768,302)	-	(1,990,768,302)
Dividend	-	-	-	-	-	-	-
As of March 31, 2024	₩ 95,826,580,000	₩ 864,898,306,667	₩ 406,296,628,957	₩ 2,356,029,671,602	₩ 3,723,051,187,226	₩ -	₩ 3,723,051,187,226

Hanwha TotalEnergies Petrochemical Co., Ltd. and its subsidiaries
Consolidated statements of cash flows
for the period ended March 31, 2024 and 2023

(Korean won in units)

	2024 Q1 YTD	2023 Q1 YTD
Cash flows from operating activities		
Profit (loss) for the period	₩ (3,584,283,900)	₩ 4,303,008,286
Non-cash adjustments to reconcile profit for the period to net cash flows	170,665,292,610	140,931,276,062
Working capital adjustments	(143,814,206,778)	246,872,817,941
Interest received	1,723,953,666	1,931,334,077
Income taxes paid	(509,358,398)	(657,470,819)
Net cash flows provided by operating activities	24,481,397,200	393,380,965,547
Cash flows from investing activities		
Decrease in long-term loans	35,511,996	90,557,996
Increase in long-term loans	(91,888,850)	-
Acquisition of long-term investment securities	(13,001)	-
Decrease in guarantee deposits	21,313,912	19,354,656
Increase in guarantee deposits	-	(1,356,168)
Proceeds from disposal of property, plant and equipment	867,749,095	3,278,142,446
Acquisition of property, plant and equipment	(45,022,633,730)	(85,964,713,689)
Acquisition of intangible assets	-	(5,024,038)
Settlement of derivatives	8,757,635,654	22,401,963,510
Dividends received	863,745,575	845,797,615
Net cash flows used in investing activities	(34,568,579,349)	(59,335,277,672)
Cash flows from financing activities		
Increase in bonds payable	532,789,963,924	308,808,040,000
Net increase (decrease) in short-term borrowings	26,925,279,966	9,214,293,622
Repayment of current portion of long-term bonds and long-term borrowings	(537,694,098,813)	(341,402,306,653)
Increase in long-term borrowings	-	150,000,000,000
Decrease in deposit withheld	(10,295,089)	(8,668,168)
Adjustments for increase in derivative financial liabilities	85,480,000,000	-
Interest paid	(24,438,190,994)	(19,615,930,374)
Net cash flows used in financing activities	83,052,658,994	106,995,428,427
Net increase in cash and cash equivalents	72,965,476,845	441,041,116,302
Cash and cash equivalents at the beginning of the period	144,980,560,156	100,254,868,640
Net foreign exchange difference	289,325,522	759,963,030
Cash and cash equivalents at the end of the period	₩ 218,235,362,523	₩ 542,055,947,972